

**UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS**

NAUTILUS INSURANCE COMPANY,

Plaintiff

v.

COTE'S REMODELING, INC. and

MICHAEL P. COTE

Defendants

CIVIL ACTION NO.:
05-11388-RWZ

STIPULATED CONSENT TO JUDGMENT

Whereas, first, this diversity jurisdiction action sought a declaration whether the plaintiff Nautilus Insurance Company Inc. had a duty to defend or indemnify its insured Cote's Remodeling, Inc. or its president, Michael P. Cote with respect to a claim made against Cote's Remodeling, Inc. and/or Michael P. Cote arising out of the death of David Ryan Marchand, when he fell from a roof while working on a home remodeling project on August 28, 2003.

Whereas, second, the plaintiff Nautilus Insurance Company Inc. and the Estate of David R. Marchand, Kimberly Marchand individually and as mother, legal guardian and next of kin of Patrick Marchand (the "Marchands") have reached a settlement as to the resolution of the Marchands' civil claims against Cotes Remodeling, Inc. and Michael P. Cote that was approved by order of the Rhode Island Superior Court on March 22, 2006, a copy of which is attached, following receipt of the report of a guardian ad litem of Patrick Marchand recommending that the settlement be approved;

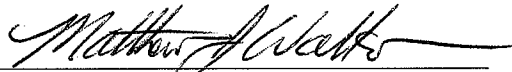
Whereas, third, in furtherance of the above and in accordance with Fed. R. Civ. P. 8(b), 41(a) and 54, the plaintiff Nautilus Insurance Company Inc. and the defendants Michael P. Cote and Cote's Remodeling, Inc. hereby enter into this Stipulated Consent to Judgment resolving the dispute between them as follows:

1. Michael P. Cote and Cote's Remodeling, Inc. stipulate and admit that at all times relevant to David Marchand's fall on August 28, 2003, Cote's Remodeling, Inc. hired David Marchand to work on the construction project concerning the residence of Kenneth Drainville and Dawn Drainville at or about 710 Pulaski Boulevard, Bellingham, Massachusetts.
2. That all remaining claims, contentions and requests for declaratory judgment of the plaintiff Nautilus Insurance Company shall be and are hereby dismissed without prejudice, with each party to bear its their own costs, and with all rights of appeal waived.

AGREED AND ACCEPTED:

NAUTILUS INSURANCE COMPANY

By their attorneys,

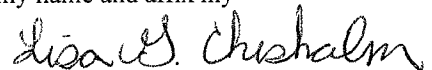


Matthew J. Walko (BBO No. 562172)
SMITH & DUGGAN LLP
Two Center Plaza, Suite 620
Boston, MA 02108-1906
(617) 228-4400

Acknowledgment Under Oath

Sworn and subscribed before me this 7th day of April 2006, came Matthew J. Walko known to me to be the individual who executed the foregoing, and acknowledged that he fully understands its contents and freely executed same, and in testimony thereof, I hereto subscribe my name and affix my official seal.

Notary Public
My Commission Expires:



LISA G. CHISHOLM
Notary Public
Commonwealth of Massachusetts
My Commission Expires
July 14, 2011

AGREED AND ACCEPTED:

MICHAEL P. COTE, individually

Michael P. Cote
141 South Main Street
Bellingham, MA 02019
(508) 883-3327

Acknowledgment Under Oath

Sworn and subscribed before me this 30th day of March 2006, came Michael Cote known to me to be the individual who executed the foregoing, and acknowledged that he fully understands its contents and freely executed same, and in testimony thereof, I hereto subscribe my name and affix my official seal.

Notary Public Elaine J. Brunette
My Commission Expires: 4-24-08
JD# 46386

AGREED AND ACCEPTED:

COTE'S REMODELING, INC.

Michael P. Cote
Michael P. Cote, President
Cote's Remodeling, Inc.
141 South Main Street
Bellingham, MA 02019
(508) 883-3327

Acknowledgment Under Oath

Sworn and subscribed before me this 30th day of March 2006, came Michael Cote known to me to be the individual who executed the foregoing, and acknowledged that he fully understands its contents and freely executed same, and in testimony thereof, I hereto subscribe my name and affix my official seal.

Notary Public Elaine J. Brunette
My Commission Expires: 4-24-08
JD# 46386

STATE OF RHODE ISLAND
PROVIDENCE, SC.

SUPERIOR COURT

KIMBERLY BRADLEY MARCHAND,
individually and as Administratrix of
the ESTATE OF DAVID MARCHAND,
and as parent and natural guardian
of PATRICK MARCHAND

VS.

C. A. NO. 05-3211

COTE'S REMODELING, INC.
AND MICHAEL COTE, ALIAS

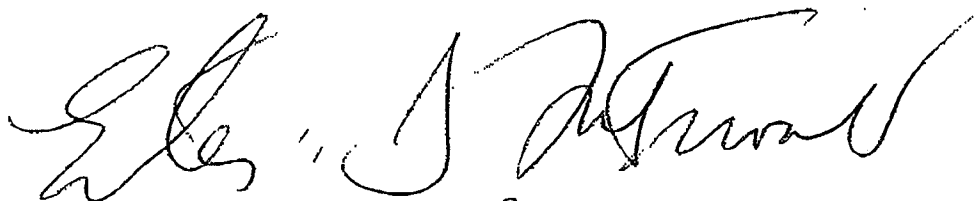
**ORDER APPROVING SETTLEMENT
AND ESTABLISHING SPECIAL
NEEDS TRUST**

This matter came on for hearing on March 21, 2006, before the Honorable Justice Stephen Fortunato on plaintiff's petition for approval of the settlement of this case and the establishment of a special needs trust. After hearing thereon and in consideration thereof, it is hereby

Ordered, Adjudged and Decreed:


1. that the settlement of this case upon the terms described in the report of guardian ad litem James T. McCormick is hereby approved;
2. plaintiff's counsel shall file the appropriate dismissal stipulation;
3. this Court directs the establishment of the Patrick D. Marchand Irrevocable Special Needs Trust in the form attached to the report of guardian ad litem and authorizes transfer of settlement funds for Patrick to the Trust;
4. defendant shall pay the fees of the guardian ad litem;
5. the guardian ad litem is hereby discharged from further service.

Entered as an order of Court this 22 day of March 2006



Order. J DeCosta
Dep clerk 3-22-06

True Copy Attest


Office of Clerk of Superior Court
Counties of Providence & Bristol
Providence, Rhode Island

CERTIFICATE OF SERVICE

I hereby certify that I have caused a copy of the foregoing to be served upon the
defendants:

Michael Cote, President
Cote's Remodeling, Inc.
141 South Main Street
Bellingham, MA 02019

by first-class mail, postage prepaid, on this 7th day of April, 2006.


Matthew J. Walko